



IBM & Cisco Team for IPTV

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The battle to win IPTV deals in EMEA (Europe, Middle East, and Africa) is intensifying, as [IBM Corp.](#) (NYSE: [IBM](#) - [message board](#)) and [Cisco](#) (Nasdaq: [CSCO](#) - [message board](#)) have joined forces to challenge the region's chief incumbents, [Alcatel-Lucent](#) (NYSE: [ALU](#) - [message board](#)) and [Nokia Siemens Networks](#) . (See [IBM Targets EMEA IPTV.](#))

IBM and Cisco have pooled their equipment, software, and services resources, and pulled in a number of strategic specialist partners, including [Allied Telesis Inc.](#) and [Kasenna Inc.](#) , to target EMEA's second- and third-tier service providers with a complete package of technology, support, and even financing.

Martin Schuetz, director of Integrated Communications Services for Northern Europe at [IBM Global Services](#) , says the market opportunity could be as big as €1 billion (US\$1.36 billion) during the next five years or so. [Ed. note: Or maybe five years after that. Or five years after that.] (See [Europe to Dominate IPTV Growth.](#))

While most of Europe's large incumbents have already chosen and installed their IPTV systems, says Schuetz, getting into the telco TV market is not so easy for smaller carriers that don't have the resources, skills, and experience of their larger competitors.

"The Tier 2 and Tier 3 operators in emerging countries, particularly Eastern Europe, the Middle East, and even some in the Nordic region, are also very interested in IPTV, but to do that can involve a big change in infrastructure," says the Big Blue man.

So the IT giant has pulled together a complete soup-to-nuts package, with Cisco as its main partner.

Cisco's role is as a supplier of [IP](#), [Ethernet](#), optical, and video gear, including: the core CRS-1 and a range of metro and access routers; the Catalyst 3750 Metro Ethernet switch and 3400 Metro Ethernet access switch; the ONS 15454 multiservice optical transport platform; the [Scientific Atlanta](#) video headend; Cisco's Content Delivery System for video on demand; edge security products; and Linksys home gateways. (See [Cisco Shows Some Optical Love](#), [Cisco Enhances Ethernet Gear](#), and [Cisco Offers VOD System.](#))

IBM's core offer is a range of business and technical consulting services, plus a new vendor finance package. At the heart of that package is a new, telco-TV-specific service with a real mouthful of a name: IBM Converged Communications Services for IPTV Infrastructure. This includes network design assessment, test and measurement services, and the integration of video systems, including IPTV middleware and VOD platforms.

IBM says it uses a range of network diagnostics tools from vendors such as [Radcom Inc.](#) (Nasdaq: [RDCM](#) - [message board](#)), [Fluke Networks](#), and [Spirent Communications plc](#) (NYSE: [SPM](#) - [message board](#); London: SPT), depending on its specific requirements.

IBM is also offering a number of network elements, including its BladeCenter and xSeries servers, and software (WebSphere and [Tivoli](#)), but will rely on a set of partners to help deliver IPTV-specific capabilities. (See [IBM Bolsters BladeCenter](#).)

These include video content security and digital rights management capabilities from [Verimatrix Inc.](#), and video servers and IPTV middleware from Kasenna, which has forged a separate IPTV partnership with [Hewlett-Packard Co.](#) (NYSE: [HPQ](#) - [message board](#)). (See [Kasenna Leads IPTV Test Charge](#).)

IBM has also enlisted the support of Allied Telesis as the primary supplier of broadband equipment for fiber and DSL access. Rami Houbby, EMEA VP of Strategic Partnerships and Marketing at Allied Telesis, says the partnership offers something new because it includes business consultancy, support, and financing as well as the enabling technology.

But IBM faces very stiff competition. While Alcatel-Lucent and its key IPTV partner [Microsoft Corp.](#) (Nasdaq: [MSFT](#) - [message board](#)) have been focused on the Tier 1 market, they have also targeted some of EMEA's larger Tier 2 players, such as Italy's [Wind Telecomunicazioni SpA](#). (See [Wind, Telefónica Pick Alcatel](#), [AlcaLu Helps Slovak IPTV](#), [Alcatel-Lucent Updates on IPTV](#), [Microsoft Adds Three for IPTV](#), [Swisscom Finally Launches IPTV](#), and [Microsoft Wins IPTV Deal at DT](#).)

In addition, [France Telecom SA](#) (NYSE: [FTE](#) - [message board](#)) wants other carriers to deploy the same technical mix that it has deployed, and is prepared to show others how it all works. (See [France Telecom: 'More IPTV, Please'](#).)

More direct competition will likely come from [Ericsson AB](#) (Nasdaq: [ERIC](#) - [message board](#)), which is just getting into its stride in the IPTV world, and Nokia Siemens Networks (NSN), which is already an experienced player. The Siemens part of NSN has been active in the telco TV market for a number of years, having acquired IPTV middleware company Myrio in April 2005. (See [Ericsson, Nortel Push on IPTV](#), [Ericsson: Tandberg Is Key to IPTV](#), and [Siemens Snaps Up Myrio](#).)

As a result, NSN already has deployment experience at two of Europe's smaller incumbents, [KPN Telecom NV](#) (NYSE: [KPN](#) - [message board](#)) and [Belgacom SA](#) (Euronext: [BELG](#) - [message board](#)), as well as with smaller carriers in EMEA and North America. (See [Siemens Wins IPTV Deal](#), [Belgacom Launches Siemens IPTV](#), [Siemens Touts Dutch IPTV](#), and [Siemens Boasts IPTV Success](#).)

Its latest deal is with [Dialog Telecom SA](#), a Polish competitive carrier with about 440,000 customers -- just the sort of operator IBM and Cisco are pitching at. NSN wouldn't

NSN is providing Dialog with its Myrio middleware, video headend equipment from [Tandberg Television](#) , content protection from Verimatrix, VOD servers from [C-COR Corp.](#) (Nasdaq: [CCBL - message board](#)), and set-top boxes from Siemens Home and Office Communication Devices, which is still part of [Siemens AG](#) (NYSE: [SI - message board](#); Frankfurt: SIE).

— [Ray Le Maistre](#), International News Editor, *Light Reading*